RnM condoefcd by CM en SERf cffleh*

5287. SHRI B.B. DUTTA: WB 4* Minister of FINANCE be planted to state:

major regutstory power* recently;

(b) if so, the detail dttreof;

(c) how br dmae have been implemented by the SBBI;

(d) whether GM conducted* raids on SEBI officials;

(e) whether theee raids wen initiated by the Minhlr) of Finance; and

(f) if so, the details thereof and the arrests made by hVe GBI?

THE MINISTER OF STATE *W* THE MINISTRY OP FINANCE {SHRI M.V. CHANDRASHERARA MUetTHY): (a) Yes Sir. Fodowiog the enactment of amendments to the Seeurities and Exchange Board of India Act, 1992 and the Securities Contracts (Refutation) Act, 1956 in March, IMS, SBBI baa been empowered wnh idnhlonnl powers for ensuring the orderly development of the capita] Market.

(b) The amendments, inter-alia, provide SBBI with regulatory powers over corporates in die issuance of capital, transfer of securities and other related ? matters. SEBI has also been empowered to impose monetary penalties on capital market intermediaries for a range of violations which are listed in the Act. SEBI has been vested with powers to - summon the attendencc of and call for documents from all categories of intermediaries.

(c) the further empowerment of SEBI is a recent development SEBI has been taking appropriate action, wherever /* necessary.

(d) SEBI has indicated that the residences and offices of three officers of SEBI were searched by tbe GBI, which is investigating into dm matter.

(e) No, Sir.

(0 Does not arise.

Credit pefiey of RBI

52*8. SHRI SURBSH RALMADI: Will the Minister of FINANCE be

(a) whether it is a fact that the Reserve Bank of India has recently announced credit policy for the 1st half of the year 1995-96; and

(b) V an, what are dm salient features thereof?

THE MINISTER OF STATE 04 THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASEKHARA MURTHY): (a) Yes. Sir. Reserve Bank of India (RBI) announced me monetary and credit policy for the first half of 1995-96 on April 17,1995.

(b) The salient features of tbe monetary and credit policy are: a one per-centage point increase in dm maximum term deposit rate, introduction of a baa system for delivery of bank credit, reduction in credit to finance enmpaaies from banks/financial Institutions, a ban on bridges loans agsiast public issues and changes in amount credit refinance. The policy also outlines die details of the . Rural Infrastructure! Development Fund (R1DP), Consortium for Khadi A Village Industries Commission (KVIC) and Scheme for Financing Primary Weavers Co-operative Societies by commercial banks; measures which were earner announced by dm Finance Minister in bis Budget Speech oa March 15, 1995.

Losses suffered by Nationalised Banks

5289. SHRI VKEN J. SHAH:
SHRI PRAMOD MAHAJAN:

Will the Minister of FINANCE be pleased to state:

(a) what am the names of the nationalised banks which have suffered

losses during 1992-93, 199344 and 1994-95 and tke amount of losses incurred by each bank (year wise) and tke reasons therefor;

(b) what are the details of fraud cases detected in each of Ike naltenahase' bank committed by or fa connrvanm with bank officials during die above period (year wise) and the ansoant involved and tke action taken thsreeo fa sank ease; and

(c) what steps Oovewaatnt have taken to check die lacamnoc of sack frauds in banks M fatnsvT

THE MINISTER OF STATE *W* THE MINISTRY OF FINANCE (SHRI M.V. aiANDRASHEKARA MURTHY) (a) Tke macs of the aatinasBsed banks statement wkfak nave snffarod tosaes during 199249 and 1999-94 are given fa Staleaient-I (see katow). However, information tor tke year 1994-95 is not available be tanas she audited Balance Sheets of tke Ranks far dak year have not so far keen received. Now income recognition norsnt, the reaairemcal of

y^ WwjainjnnnnnnnBr geaT^o ¥sW •■MB oe^aTVennB^^e>B>§, ananua^eWttae ■nean^neananut *A«U\A0- A^^LA^A. S. {— fc.

especiany pranrny sneaer aavoncos, nsga volume of r»aa Bsrtaianfag Aasets and high overhead i spawn are some of das

sector beaks (b) Tke details of fraud cases

detected

amount involved tkerefa during tM year 1993. 1993 end 1994 ase given is StatemsaMI (m MBV). HM noanbar of tank eeajteyees sgsfatf wHen ectfae was

penalty) far ftm tovoKsiaai* fa Heals m nstinoshW fanfar daring nW^fars I 1992, 1999 * 1994 (npto Mar*) wen 551X3 A US rayecttveh.

(c) 11M public sector banks at the instance of OwtfimaiM and Reserve frank of India (RBI) km takes sevcrai steps front aw M kaaa far ckackfag corruption and prevention of treads. The* stops tacfadc touring of cantswokauam guifaatocs »y RBI far strengthening tka control saechaasMs w he. banks, review of fraud eaaea on a eontfooal basis ay RSI, letting up of a Special Investigation Cell fa RBI, proper trainfaf of operational personnel etc. The banks have ako bona aaprotaed upon to dear tke arrears fa balancing of book* and reconciliation of inter-branch and other accoiinu on a continuous basis so as to prevent frauds fa tke these areas. RBI also monitors tke progress made by the banks in iaspoMnontation of various accepted recosanendations of tke Ghosh Committee which enquired into various aspects relating to frauds and malpractices in banks.

*

Statement-I

Names of Nationalised banks which suffered losses during 1992-93 and 1993-94

(Rs. in crores)

Sl. No.	Name of the Bank	1992-93	1993-94
1.	Allahabad Bank	(−105.89)	(−367.72)
2.	Andhra Bank	(−141.08)	(−162.25)
3.	Bank of India	(−331.12)	(−1089.15)
4.	Bank of Maharashtra	(−196.51)	(−296.93)
5.	Central Bank of India	(−383.31)	(−711.93)
6.	Dena Bank	(−90.46)	(−69.84)
7.	Indian Bank	(—)	(−390.65)
8.	Indian Overseas Bank	(−752.74)	(−351.18)

Sl. No.	Name of the Bank	1992-93	1993-94
9.	Punjab and Sind Bank	(−195.19)	(−175.99)
10.	Syndicate Bank	(−670.08)	(−299.40)
11.	United Bank of India	(−279.86)	(−618.06)
12.	UCO Bank	(−444.19)	(−546.45)
13.	Vijaya Bank	(−97.88)	(—)
14.	New Bank of India	(−75.79)	Merged with PNB

Statement-II

Statement showing Bank-wise number of frauds detected in Nationalised Banks and the amount involved therein during the years 1992, 1993 and 1994.

(Rs. in lakhs)

Sl. No.	Nationalised Banks	No. of frauds			Amount involved		
		1992	1993	1994	1992	1993	1994
1.	Allahabad Bank	38	%33	39	67.46	45.14	2,343.58
2.	Andhra Bank	41	66	25	1028.75	2130.92	131.80
3.	Bank of Baroda	70	139	159	281.64	568.46	2,905.71
		*05	*12	*15	20.87	35.54	528.63
					+FS 1500	+U.Sh	9844000
4.	Bank of India	154	168	215	701.75	725.19	720.62
		*06	*16	*11	2355.83	4049.29	988.51
5.	Bank of Maharashtra	31	22	50	298.63	404.65	465.11
6.	Canara Bank	140	259	217	369.35	891.13	1,402.21
7.	Central Bank of India	50	85	130	1311.66	3234.72	347.46
8.	Corporation Bank	14	31	38	16.47	42.24	38.28
9.	Dena Bank	32	20	22	33.66	150.65	1,049.62
10.	Indian Bank	65	41	60	319.93	630.24	286.26
11.	Indian Overseas Bank	83	75	71	745.40	143.54	356.97
12.	New Bank of India	25	29	—	495.83	69.72	—
13.	Oriental Bank of Commerce	06	22	14	26.66	102.97	230.88
14.	Punjab National Bank	54	88	118	111.53	3224.29	2,883.36
15.	Punjab & Sind Bank	06	21	17	245.61	654.21	163.26
16.	Syndicate Bank	96	139	103	202.38	174.10	1,371.80
17.	Union Bank of India	44	61	39	47.45	756.54	336.54
18.	United Bank of India	26	50	43	243.29	11459.66	171.89
19.	UCO Bank	39	35	38	4466.87	183.46	416.89
			*04			165.27	
20.	Vijaya Bank	38	33	32	25.16	190.83	45.93
	Total	1083	1449	1476	13425.38	30,159.76	16,311.71
					+FS 1500	+U.Sh.	9844000

*Outside India
FS = Fijian Dollars
U.SH = Ugandan Shilling
(Total Provisional)